if so, what measures Government have taken or propose to take to recover the same?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA). (a) to (d) M/s. Swadeshi Cotton Mills Company Ltd, i_s not a nationalised Company. It i_s privately owned. The Government is, therefore, unable to furnish information in respect of this Company.

Letter of credit baek.datea by Reliance Industries Ltd.

2756. SHRI PRAMOD MAHAJAN: SHRI SHANKER SINH VAGHELA:

Will the Minister of FINANCE be pleased to state;

(a) when did the Reserve Bank of India detect that the Letter of Credit for the Reliance Industries Limited wag back-dated before Government took a policy decision regarding a change whereby the import of TPA was to be banned;

(b) as a result thereof, by how much the Reliance Industries stood i gain, and

(c) since then, what action has been taken against the Reliance In. $dustrie_s$ Limited and what i_s the outcome thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FA-LEIRO); (a) to (c) $Reserv_e$ Bank of India (RBI) has reported that in November-December, 1985, it had undertaken scrutiny of transactions ' in five Bombay Bank branches relating to opening of letters of credit for import of TPA by $M/_s$ Reliance Industries Ltd. synchronising with the change in the import policy in respect of TPA o_n 29th May, 1985. RBI has intimated that it has no im'ermation in regard to the alleged gain of Reliance Industries.

! CentraJ jBureau of Investigation had also undertaken investigation of these transactions and it_s report *is* under examination.

Pay fixation of Central Government employee^ o_n point to point basis

@2757. SHRI BIR BHADRA PRA-TAP SINGH: DR. RATNAKAR PAN-DEY: Will the Minister of FINANCE be pleased to state:

(a) whether it is $_a$ fact that consequent on recommendations of l^st, 2nd and 3rd Pa_v Commissions, the pay of Central Government employees i« different grades wa_3 fixed in new scales on point to point basis giving them benefit of the annual increments earned i^ respective grades;

(b) whether no such protection of annual increments earned by the employees exists in the 4th Pay Commission's recommendations with the result that Pay of senior personnel in various grades having put in a number of $year_g$ of service have become equal to that of new entrants and the senior people have been put to disadvantage; and

(c) if so, what steps are being taken to give the benefit of service in a particular grade to senior personnel by way of fixing their pay on Puint to point basis?

THE MINISTER OF STATE IN THF DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B. K. GADHVI): (a) to (c) The first, third and fourth Central Pay Commissions did not re-

@Previously Unstarred Question 2377, transferred from the 17th March, 1988.

commend fixation of pay of Central i Government employees in revised I scales On point *o point basis. The second Pay Commission, however, did recommend fixation of pa$_v$ on a roint to point basis subject to certain limiting conditions.

The Government have accep'ed the recommendations of the fourth Central Pay {Commission contained in Chapter 30 of it$_s$ Report regarding fixation of pa$_v$ i$_n$ revised sca!e$_s$ of pay subject to the modification thai the minimum benefit calculated at ;20 per cent °f ^{tne} basic pay has toeen raised from Rs. 50/- to Rs. 75/-.

Based on the recommendations of the Pay Commission the Central Civil Services (Revised Pay) Rules, 198C also provide for stepping up of pay of Government servants on fulfilment of prescribed conditions.

Copies of the Report of the fourth Central Pay Commission, the Resolution and the Notification issued in thi$_s$ regard have already been placed on the Table of the House separately.

Revision of MODVAT scheme

2158. SHRI A. G. KULKARNI. Will the Minister of FINANCE b$_c$ pleased to state:

(a) whether the MODVAT scheme ha$_s$ recently bee$_n$ revised and production of branded item$_s$ produced in small or ancillary industries are not getting the benefit of MODVAT; and

(b) if so, what are th$_e$ reasons for such a step and whether Government are aware of the reduction in ancillary work awarded to the small industries as a result thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA). (a) There has been no such change i$_n$ the MOD-VAT scheme. MODVAT credit fa available t$_0$ the small and ancillary industries. However, the excise duty exemption scheme$_s$ in respect of certain excisable goods were amended with effect from 1.10.1987 ro a.$_s$ to deny duty concessions in respect of such goods manufactured in the smsll and ancillary industries under the t^and name of a person who >s not otherwise eligible for duty concession under th$_e$ small scale exemption schemes. As a consequence of this the user industry purchasing such ficeds would get MODVAT credit only of the duty actually paid.

(b) The above modifications were done in order to reduce the chanr Of large manufacturers or trado, deriving unintended benefit by getting their goods manufactured by units in the small scale sector. No significant reduction of ancillary work consequent to the amendment of Email scale exemption schemes has been reported so far.

Central assistance for installation of tubewells in Rajasthan

2759. SHRI SANTOSH BAGRO-D1A; Will the Minister of WATER RESOURCES be pleased to state:

(a) whether the Central Government have provided fund$_s$ to Rajasthan Government for the exploitation of underground water potential through ths Snstallation of a number of tube-wells; and

(b) if so, what is the quantum of funds provided for this purpose to the Government of Rajastnan?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) and (b) Under a Centrally Sponsored Schem$_e$ assistance i$_s$ provided to State$_s$ for Minor Irrigation Work$_s$ which include installa tion of tubewells. Central assistance released to Rajasthan during 1987-88 (upto December 1987) under the Centrally Sponsored Scheme of A